

GAMING UPDATE

Volume 14, Edition 2

July 2000

2000 Legislative Session Ends

Nonprofits Can Look Forward to 2001 for Biennial Licensing

A flurry of last minute activity with respect to charitable gaming-related bills occurred in the Nebraska Legislature this past session, resulting in a number of changes to our existing gaming laws. Most of the changes are minor or technical in nature, and will take effect July 13. However, there are some provisions which will have a major effect on the manner in which nonprofit organizations obtain and renew bingo, pickle card and lottery/raffle licenses. Specifically, the implementation of biennial rather than annual licensing which will be phased in over a two-year period beginning in October of 2001.



Many details with respect to the implementation of biennial licensing are yet to be worked out, and more information on these provisions will be forthcoming at a later date. However, the concept of biennial licensing is very good news for our nonprofit licensees as well as for the Charitable Gaming Division staff. Phasing in the biennial licensing requirements over a two-year period will mean that not all of the nonprofit organization licenses will come due simultaneously. Rather, the plan is for the licenses of certain types of organizations (based on IRS 501(c) exempt code) to expire in an odd-numbered year while

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Time to Take Inventory! All nonprofit organizations holding a Class I or Class II pickle card license should have taken a **physical inventory of their pickle card units** on hand as of midnight, **June 30**. This inventory is needed to accurately complete your **Annual Report which must be filed by August 15**. The inventory should include units in play at your designated premises (club facility) and/or bingo games. Class II licensees should also be sure to include units which may be in the possession of a sales agent and not yet sold to a pickle card operator. You can use the reverse side of Form 35A - Schedule II of your Annual Report form to record your inventory; that way, you will be assured of listing all the needed information.

We're Here to Help You! If you plan to stop in and visit with staff in the Lincoln or Omaha office, or need assistance with your annual report or license renewal application, please feel free to do so. We are always happy to assist you. However, this time of year becomes extremely hectic for the Charitable Gaming Division. We encourage you to call ahead and make an appointment. We want to ensure that a staff member is available to help you and can devote uninterrupted time and attention to your specific needs so scheduling an appointment will be to your benefit!

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Inspector Merle Reiling Retires

Merle Reiling, supervisor of the Nebraska Department of Revenue inspectors, has retired. For over thirteen years, Merle crisscrossed the state assisting Charitable Gaming licensees. Though based in Lincoln, Merle supervised seven inspectors who worked out of North Platte, Scottsbluff, Grand Island, Norfolk, Omaha, and Lincoln, and he traveled often to those areas.

Merle transferred to the Charitable Gaming Division in 1986 as it was being created. He had worked for several years in the Field Services Division of the Department. Prior to that, Merle had given many years to the State Highway Commission, serving as the Deputy Administrator. Over the years Merle likely traveled over as many roads and met as many people as anyone in the state. His experience will be missed.

Merle and the inspectors assisted not only gaming licensees, but sales, use and MAD tax licensees and State Lottery outlets as well. Inspection services to those licensees have not been interrupted by Merle's

retirement. Mr. Gerald Otoupal is presently supervising inspections. He may be reached by telephone at 402-471-5840 or by E-mail at jotoupal@rev.state.ne.us. Please feel free to contact Gerald or anyone at the Department for assistance.

Gail Ross Assumes Licensing Role

We are pleased to announce that **Gail Ross** has been named as the new **Licensing Supervisor** for the Charitable Gaming Division. Gail has been with the Nebraska Department of Revenue for 15 years, the last 8 of which have been in Charitable Gaming. For those 8 years, Gail has supervised our Processing Section and will now take on added duties supervising the Licensing Section. With one supervisor overseeing both areas, the two sections will work cooperatively to ensure the best possible service to our licensees. Gail can be reached at (402) 471-5955 or by E-mail at gross@rev.state.ne.us.

NEBRASKA DEPARTMENT OF REVENUE

STATE TAX COMMISSIONER — MARY JANE EGR
Charitable Gaming Division Administrator — Jean Angell
Charitable Gaming Division Managers — Gerald Otoupal and Steve Schatz

WHO TO CONTACT FOR

Audits, Annual and Quarterly Reports, and Tax Returns

Gerald Otoupal	471-5940
Gene Weiner	471-5953

Pickle Card Receipt Books

Mary Gropp	471-5937
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Licenses, Authorizations, Permits, Device Decals, and Forms

Gail Ross	471-5955
Chris Schweitzer	471-5939
Carri Fitzgerald	471-5949

Bingo, Pickle Card, and Lottery/Raffle Game Conduct

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Steve Schatz	471-5943

County/City Lottery Licensing and Game Conduct

Steve Schatz	471-5943
Linda Knox	471-5945

County/City Lottery Audit and Tax Returns

Gerald Otoupal	471-5940
Pete Andersen	471-5936

Investigations and Fingerprints

Greg Schnasse	471-5941
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Legal Proceedings

Cynthia Odabasi	471-5817
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Visit our Web site at: www.nol.org/revenue

2000 Legislative Changes (cont.)

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the licenses of other types of organizations will expire in an even-numbered year. It will mean less paper less often for licensed organizations, and it will provide us with the ability to review license applications more quickly and thoroughly. We are excited about biennial licensing, and hope that you will be too!

To follow is a brief summary of the major provisions contained in three separate charitable gaming bills which were passed by the Nebraska Legislature this session:

LB 658

This bill authorizes a new type of pickle card game whereby certain winners are determined by the drawing of bingo balls. This type of pickle card game will be unique from all other pickle card games sold in Nebraska in that **it can only be sold and played at a licensed bingo occasion**. The Charitable Gaming Division is in the process of writing a Revenue Ruling to address marketing restrictions and rules of play for this new type of pickle card game; a copy of this ruling will be distributed to all affected licensees at a later date. Given that **LB 658 does not become effective until July 13**, it is anticipated that the new pickle card games will not be approved and ready for sale until August 1 at the earliest.

LB 1086

This bill was drafted by the Charitable Gaming Division as its annual “clean-up” or technical bill. It has an effective date of July 13. Certain sections of the bill also have “operative dates,” meaning those particular provisions do not become law until a specific date set forth within the legislation itself. The provisions of LB 1086 which have “operative dates” all deal with the implementation of biennial licensing. **LB 1086 also:**

- ✓ Increases the number of days a licensed organization can conduct **limited period bingo** from seven to twelve. The same change was made relative to the number of days a premises can be used for limited period bingo.
- ✓ Permits the selling of lottery and raffle tickets by qualifying nonprofit organizations at state, district, and county fairs.

- ✓ Allows the Department to **waive fingerprinting** requirements for certain license applicants which have been issued a liquor license by the Nebraska Liquor Commission.
- ✓ Allows the Department to approve **variations of bingo cards** in the same manner currently utilized to approve pickle card games.
- ✓ Provides the Department with the authority to **cancel, suspend, or revoke any gaming license** when it is found that the license holder **failed to pay taxes** or any additions to taxes including penalties and interest, imposed under any of the gaming acts or the Nebraska Revenue Act of 1967.
- ✓ Requires **biennial licensing** of gaming applicants rather than annual licensing. **Biennial licensing will be phased in over a two-year period commencing October 1, 2001.**
- ✓ Provides the Department with the authority to establish, by rule and regulation, the expiration date for pickle card dispensing device registrations.
- ✓ Permits qualifying nonprofit organizations conducting lotteries and raffles which are not required to be licensed to utilize “duck races” as a form of winner determination.

LB 659

While this bill does not directly affect the conduct of any charitable gaming activity, it does **change the distribution of the gaming tax revenues** which we collect. Currently, 40% of the tax revenue collected is set aside for use by the Charitable Gaming Division to regulate and enforce the gaming laws. The other 60% of the tax revenue goes directly to the state’s General Fund. Additionally, any portion of the 40% that we do not use is lapsed to the General Fund each year. Under LB 659, the remainder of the 40% that is not used by the Charitable Gaming Division **will instead be transferred to the Compulsive Gamblers Assistance Fund**. LB 659 also takes additional money from the State Lottery and transfers it to the Compulsive Gamblers Assistance Fund.

It's That Time Again — Time for License Renewal



All nonprofit organizations currently licensed for **bingo, pickle card, or lottery/raffle** activities and **businesses** currently licensed as **pickle card**

operators or commercial lessors should have received their 2000-2001 license renewal application(s). If you have not received this information, please check the **mailing address** identified on your current license(s). This is the address of record filed with the Charitable Gaming Division for your organization or business and is the address where all correspondence regarding your gaming activities is mailed. If you are still unable to locate your license renewal application(s), please contact Carri Fitzgerald at (402) 471-5949 or Chris Schweitzer at (402) 471-5939.

All bingo, pickle card, and lottery/raffle licenses and authorizations will expire at midnight on September 30, 2000. In order to continue any of these charitable gaming activities on and after October 1, 2000, you must have physical possession of your new 2000-2001 licenses and applicable authorizations. If you do not have your 2000-2001 licenses and applicable authorizations as of October 1, 2000, you must discontinue all charitable gaming activities until you have been issued the proper licenses and authorizations. **No exceptions will be made.**

Nonprofit Organizations

Bingo and Pickle Card Renewals: Your application to renew a bingo or pickle card license and all applicable fees must be received by our office or postmarked no later than August 15, 2000 (unless your application relates only to a limited period bingo occasion or special function pickle card sales authorization). Applications filed by August 15, 2000, will receive processing priority. **Any nonprofit organization whose application is postmarked after the August 15, 2000, due date may not have a 2000-2001 license by October 1, 2000, and may also be subject to an administrative fine of up to \$1,000 plus any financial benefit gained or other penalties.**

Utilization of Funds Member, Sales Agent and Gaming Manager: When licensing a NEW utilization of funds member, sales agent, or gaming manager, it is not permissible to use the preprinted application. A

Nebraska Application for Utilization of Funds Member, Form 50H, a Nebraska Application for Pickle Card Sales Agent, Form 50E, or a Nebraska Application for Gaming Manager, Form 50C, must be completed in its entirety and submitted with your organization's renewal application. An applicant for a sales agent license or gaming manager license is required to submit two fingerprint cards and a processing fee of \$33 to the Nebraska State Patrol. If you need any of these applications or a set of fingerprint cards, please contact our office.

Lottery/Raffle License Renewals: An application to renew a lottery/raffle license **Must** be received by our office or postmarked at least 30 days prior to the date your organization intends to begin selling tickets. **The Lottery/Raffle Supplemental Questionnaire needs to be completed and attached to the renewal application.**

Lottery/Raffle Special Permit: If you intend to use a special permit in conjunction with your lottery/raffle license, please provide the beginning and ending dates of the activity.

A special permit is valid for a maximum period of three consecutive calendar months. If you are unsure of the dates at the time the application is submitted, you may apply for the special permit at a later date.

Pickle Card Operator Authorizations: Please be sure that the authorization application(s) contain the signatures of an owner, partner, or corporate officer of the licensed pickle card operator and of a licensed utilization of funds member of your organization. Improperly signed authorization applications will be returned to your organization for the correct signature. An application to renew a pickle card operator authorization will not be processed unless the business involved has renewed its pickle card operator license for the 2000-2001 license year. Once a pickle card operator authorization has been issued, it will be sent to your organization. It is the responsibility of your organization to deliver the authorization to the pickle card operator and have it posted conspicuously at the business establishment. **No pickle cards may be sold by a business until it has physical possession of both a pickle card operator's license and a pickle card operator authorization from each organization for which it intends to sell individual pickle cards during the 2000-2001 license year.**

Correct Fees and Signatures

Incorrect fees and incorrect or missing signatures are the most common problems that the Licensing Section encounters during the processing of the renewal applications. Please be sure that the fee for each license being renewed is included with the application (there is no fee for officers or for a bingo chairperson and alternate bingo chairperson(s). Please be sure that each page that requires a signature has been signed by the appropriate individual. Incomplete or improperly signed applications will be returned. **Checks for the license fees must be made payable to the Nebraska Department of Revenue.**

Changes to This Year's License Renewal Applications

For the most part, this year's preprinted license renewal applications are the same as you have completed in the past. However, we have made the following changes:

License Information (first page): In an effort to minimize the number of applications that have to be returned for an explanation or more information, we are requesting that you provide us with the name and daytime telephone number of the person to contact regarding the renewal application.

Utilization of Funds Member: For each license being renewed, please have the applicant sign the application on the designated line and an officer, **other than the applicant**, sign on the designated line.

Pickle Card Operators

The license renewal application and \$50 license fee must be received by our office or postmarked no later than August 1, 2000 in order to be considered timely filed. Applications filed by August 1, 2000, will receive processing priority. **Any business whose application is postmarked after the August 1, 2000, due date may not have a 2000-2001 license by October 1, 2000, and may also be subject to an administrative fine of up to \$1,000 plus any financial benefit gained or other penalties.**

The information pertaining to the owners, partners, or corporate officers of your business which we currently have on file is preprinted on the license application for you to review. **One of the individuals listed on the application must sign on the designated line at the bottom of the application. Improperly signed applications will be returned for the correct**

signature. You will notice that a question has been added to the application relative to the criminal history of each of the individuals listed as an owner, partner or corporate officer of the pickle card operator. If any of the individuals answer "YES" to this question, it is required that the requested information be provided when the application is submitted to our office. Also, in an effort to minimize the number of applications that have to be returned for an explanation or more information, we are requesting that you provide us with the name and daytime telephone number of the person to contact regarding the renewal application.

If there has been a change of ownership in your business resulting in the issuance of a new liquor license by the Nebraska Liquor Control Commission or your business has been assigned a new Nebraska Identification Number (State ID Number) by the Department of Revenue, the preprinted license renewal application may not be used. A Nebraska Application for Pickle Card Operator, Form 50D, must be completed in its entirety and filed with the Charitable Gaming Division. Please contact Carri Fitzgerald at (402) 471-5949 or Christine Schweitzer at (402) 471-5939 to obtain a 50D, or visit our Web site at: www.nol.org/revenue.

No pickle cards may be sold by a business until it has physical possession of both a pickle card operator's license and a pickle card operator authorization from each organization for which it intends to sell individual pickle cards during the 2000-2001 license year.

Commercial Lessors

Your license renewal application(s) must be received by our office or postmarked no later than August 15, 2000, in order to be considered timely filed. Applications filed by August 15, 2000, will receive processing priority. **Any business whose application is postmarked after the August 15, 2000, due date may not have a 2000-2001 license by October 1, 2000, and may be subject to an administrative fine of up to \$1,000 plus any financial benefit gained or other penalties.** Incomplete or improperly signed applications will be returned. **The Commercial Lessor of Bingo Premises Supplemental Questionnaire and \$100 fee for each premises you intend to lease for the conduct of bingo must be attached to the application.**



Administrative and Court Actions

The following cases reached final administrative determination or court decision since the last issue of *Gaming Update*.

In the Matter of Southeast Rural Volunteer Fire Department, Lincoln, Docket Number 97-017-35G. The Department issued a Notice of Intent to Deny the licensee's applications to renew a license to conduct bingo and a license to conduct a lottery by the sale of pickle cards based on allegations that it used gaming funds in such a way that it inured to the benefit of individual members of the organization. Subsequently, the Department and the organization entered into a settlement stipulation whereby the Department issued the licenses and the organization, without admitting liability, paid a \$50,000 administrative fine. The case was dismissed December 16, 1999.



In the Matter of Fozzie, Inc. DBA Fan Tan Club, Omaha, Docket Number 96-031-35G. This case involved allegations of failure to file an application for a pickle card operator's license and the sale of pickle cards without possessing a valid pickle card operator's license and the appropriate authorization. The case was eventually dismissed on February 23, 2000, because the entity had ceased to exist.



In the Matter of Fifth Quarter Inc., Omaha, Docket Number 99-016-35G. It was alleged that the licensee's employee had been convicted of possession of gambling records on the licensee's premises. The Department moved to suspend the licensee's pickle card operator's license. Subsequently the Department and the licensee entered into a settlement stipulation whereby the licensee's pickle card operator's license was suspended for 9 months. The Department dismissed the action on December 14, 1999.



In the Matter of American Thrift Store, Inc., Omaha, Docket Number 99-020-35G. The Department advised the licensee of its intent to deny

the renewal of its license to conduct a lottery by the sale of pickle cards based on the licensee's failure to produce requested records and other documentation to the Department. Subsequent to the issuance of the Notice of Intent to Deny, the Department was given the opportunity to review portions of the requested records and other documentation. The case was dismissed on February 15, 2000.



In the Matter of Wild Man's Bar & Grill, Bridgeport, Docket Number 99-021-35G. The Department issued a Notice of Intent to Deny this licensee's pickle card operator's license renewal application for allegedly failing to pay a sales tax, interest and penalty balance. Prior to hearing the licensee entered into a payment agreement with the Department and the case was dismissed on March 10, 2000.



In the Matter of Loyal Order of Moose Lodge, Lincoln, Docket Number 2000-001-35G. This case resulted from the failure of the organization to renew its license to conduct bingo. The Department filed a motion to fine the organization alleging the organization had conducted bingo without being properly licensed. The organization waived hearing and, without admitting liability, paid the \$1000 fine advocated in the Department's motion. The case was dismissed on February 28, 2000.



In the Matter of Tom J. Prendergast, Omaha, Docket Number 2000-002-35G. This sales agent was alleged to have sold a unit of pickle cards to a business which did not hold a pickle card operator's license or an authorization to sell pickle cards on behalf of the organization. The sales agent waived hearing and, without admitting liability, paid an administrative fine in the amount of \$100. The case was dismissed on April 3, 2000.

Additional Administrative Actions Regarding Late Filers

The chart below shows the licensees that filed annual reports for the 1998/1999 reporting period and/or license renewal applications for the 1999/2000 licensing period later than the statutorily required due date. The fines ranged from \$100 to \$200. Please note that the Department has the authority under the Nebraska Bingo Act and the Nebraska Pickle Card Lottery Act to fine a licensee up to \$1000 (plus any financial benefit derived by the organization) for each violation. Please take this opportunity to mark your calendar so your annual report and license renewal applications are filed by the appropriate due dates.

Name of Licensee	Late Annual Report	Late License Application	Fine Paid/ Dismissal Date
St. Bernard's School, Omaha	X		3/20/00
Weeping Water Volunteer Fire Dept.	X		4/03/00
Osceola Volunteer Fire Dept	X		3/23/00
VFW Post #1504, North Platte	X		3/23/00
Palm Garden Lounge, Kearney		X	4/03/00
Ding A Ling Bar, Raymond		X	4/24/00
Chumlys, Schuyler		X	4/11/00
Elks Lodge #1399, Chadron	X	X	4/20/00
Stuart Athletic Club Inc., Stuart		X	4/24/00
American Legion Post #110, Dwight		X	5/03/00

Annual Reports Due By August 15

All nonprofit organizations which held a bingo, pickle card, or lottery/raffle license during any part of the period from July 1, 1999, through June 30, 2000, and any nonprofit organization which has held a bingo, pickle card, or lottery/raffle license in the past and still has profits which have not been disbursed for lawful purposes, **must complete and submit the appropriate annual report** for each activity. Annual report form booklets were mailed with your application for license renewal.

Each booklet contains specific instructions for each annual report form. The most common annual report discrepancies involve differences between reported receipts and deposits and disbursements and expenses. The inside front cover of each annual report booklet contains step by step instructions for reconciling receipts to bank deposits and expenses to bank disbursements.

TIP: Obtaining your annual report information from a check ledger, check register, or check stubs which have been reconciled to monthly bank statements will make completing your annual report much easier.

The final step in completing your annual report is a careful review by the officers and directors of your organization. This review should include a review of both receipts and disbursements to verify that deposits reconcile to sales and to verify that disbursements are properly accounted for and are consistent with the organization's purpose.

If you have not received the appropriate annual report forms, please contact our office or visit our web site at www.nol.org/revenue.

The completed annual report forms must be postmarked no later than August 15, 2000.

Licenses for the 2000-2001 license year will not be issued until complete and accurate annual reports are received and processed. Although every effort will be made to get licenses to all applicants by October 1, 2000, a late or incomplete annual report **may result in a delay in licensing and/or an administrative fine** of up to \$1,000 plus any financial benefit gained.

A Word to The Wise

The State of Nebraska is very serious about illegal gambling and illegal gambling devices. During the 2000 Legislative Session the Legislature passed LB 973 which amended the Nebraska Liquor Control Act. This bill is of interest to charitable gaming licensees because it amends the Nebraska Liquor Control Act with regard to the **suspension of liquor licenses**. The bill adds new language to the act which provides that for a first suspension based upon a finding that a licensee or an employee or agent of the licensee has been convicted of possession of a gambling device on a licensee's premises in violation of the Nebraska Criminal Code, the Nebraska Liquor Control Commission, has the discretion to order the licensee to **suspend sales of alcoholic liquor for thirty days and that the licensee will not have the option to pay a cash penalty**. If the licensee's liquor license is suspended a **second or subsequent** time for the same violation within four years after the date of the first suspension, the Nebraska Liquor Control Commission will order that the liquor **license be canceled**.




The change was initiated by the Nebraska Liquor Control Commission in an effort to codify some of the modifications it made in April of 1999 to its penalty guidelines for illegal gambling devices.

Likewise the Charitable Gaming Division takes the issue of illegal gambling very seriously. Illegal gambling, whether by an **illegal sports pool or an illegal gambling device**, diminishes the revenues received via legal forms of wagering and adversely affects charities, as well as counties, cities and villages. When the Division receives a report that one of its licensees has been cited for illegal gambling and/or possession of an illegal gambling device, we contact the county attorney to determine what action the county attorney will take. Regardless of the county attorney's actions **the Division has the authority to seek a suspension of the licensee's license**. The Division also has the authority to deny a license application for a charitable gaming license based upon illegal gambling citations and/or convictions. **So a word to the wise: Do not risk your charitable gaming license by conducting illegal sports pools or possessing illegal gambling devices.**

Dispensing Device Bill Acceptors May Need Modifications As New \$5 and \$10 Bills Hit the Market

If you are using pickle card dispensing devices, you may have encountered this problem a little over a year ago when you found existing bill acceptors would not take the newly designed \$20 bill. At that time you may have decided the \$20 bill issue was not enough of a problem to justify the expense of upgrading the bill acceptor. Now, however, **the design of five and ten dollars bills has changed**, making the upgrading of bill acceptors on pickle card dispensing devices more of a concern.

The Division is receiving calls from organizations and pickle card operators relative to the modification of bill acceptors and the **proper way to handle the expense** involved in upgrading bill acceptors. As reported in the January 1999 edition of the *Gaming Update*, here are some things you will need to keep in mind when dealing with this issue:

-  **Licensed Organizations which own devices** that are located and used at their designated premises and/or at their own bingo occasion which decide to upgrade the bill acceptors must pay for the expense out of their pickle card checking account and account for the expense within their 8% expense limitation.
-  **Licensed Organizations which are leasing devices** to pickle card operators may pay for the upgrade of bill acceptors on such devices out of their pickle card checking account. The expense of the upgrade, along with expenses such as sales agent commissions and all other pickle card operating expenses, must not exceed the organizations' 8% expense limitation.
-  **Pickle Card Operators that own their devices** are responsible for all costs associated with any upgrades made. A Licensed Organization may not assist in paying any of the upgrade cost when a device is owned by an operator.

For further information on dispensing device issues, contact Gerald Otoupal in our Lincoln office at (402) 471-5940.

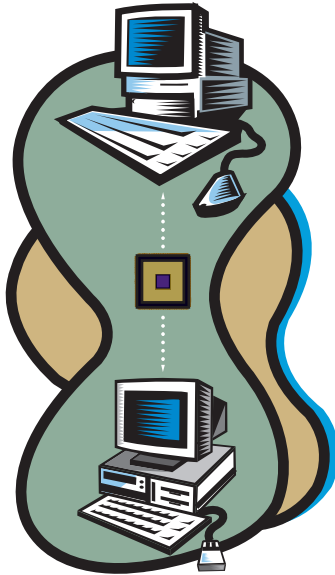
Future Uses of Information Technology in the Division

At the request of the State Tax Commissioner, the Department of Revenue recently formed an **Information Technology Future Vision Group** with the stated purpose of developing a vision and long term goals for the Department in the use of information technology. The Charitable Gaming Division is represented on this group and has been requested to make recommendations on the use of information technology for charitable gaming-related activities.

The Department of Revenue has been in the forefront of the development of information technology which allows taxpayers to electronically access information on the Department's Web site (www.nol.org/revenue), as well as file tax forms and make tax payments electronically. Currently available are the following:

- ➡ **Zero Sales Tax Filing** — allows sales tax permit holders to call a toll free number and report zero sales tax liability.
- ➡ **Individual Income Tax Filing Over the Telephone (Telefile)** — allows taxpayers who file Forms 1040NS to call a toll free number, provide W-2 information, and have the system calculate the refund or tax due.
- ➡ **Individual Income Tax Return Status** — taxpayers are provided a toll free number to call and find out the status of the return they have filed and when the refund warrant will be mailed out.
- ➡ **Internet Look-Up of Return Status** — allows taxpayers to enter their social security number and the refund amount from their individual income tax return and receive a message back indicating if the return is received, in process, or a refund warrant has been written.

There are a number of technological innovations that the Charitable Gaming Division may consider if there



is significant interest expressed by licensees and other concerned parties of the need for such capabilities. Possibilities include:

- ➡ **Electronic filing of license applications for bingo, pickle card, lottery/raffle and county/city lottery activities.**
- ➡ **Electronic filing of charitable gaming tax returns.**
- ➡ **Electronic filing of annual reports for bingo, pickle card, and lottery/raffle activities.**

If you are interested in any of these or other electronic capabilities, please contact Steve Schatz at (402) 471-5943 or by E-mail at sschatz@rev.state.ne.us.

Web Site Update

Good News! We have added additional forms to our Web site! In addition to all the application forms, you can now access copies of the bingo, lottery/raffle, and county/city lottery tax returns and schedules, as well as the annual and quarterly (where applicable) reporting forms for bingo, pickle card and lottery/raffle. **If you intend to download any of this information, please make certain that you are using version 4.0 of Adobe Acrobat.**

Other items currently available on our Web site include information guides, news releases, newsletters, Charitable Gaming Division Annual Reports, and Division staff information. We will continue to expand the services and information on our Web site in the days to come. If there are specific documents or information regarding charitable gaming which you would like to electronically access, please contact Deb Weber at (402) 471-5944 or by

E-mail at dweber@rev.state.ne.us. While we cannot guarantee every request, we certainly welcome your suggestions. **Check us out at www.nol.org/revenue.**

County/City Lottery News Briefs

Total dollars wagered on keno for the period April 1, 1999 through March 31, 2000 were **\$161,583,771**. This represents an **increase of approximately 39 percent** as compared to the total dollars wagered on keno for the previous twelve-month period (\$116,069,743). Total dollars wagered on keno for the period January 1, 2000 through March 31, 2000 were **\$42,777,864** which represents an **increase of about 8 percent** as compared to the previous quarter, October 1, 1999 through December 31, 1999 (\$39,693,270).

❑ In the primary **election** on May 9, 2000, the Villages of **Barneston, Dodge, Elm Creek, Greenwood, and Lodgepole; the Cities of Neligh and St. Paul; plus Chase County** approved a county/city lottery. Previous affirmative elections in the City of Neligh and the Villages of Dodge, Greenwood, and Lodgepole had expired since a lottery was not implemented within 4 years or was inactive over 4 years. Although a few additional communities have expressed interest in county/city lottery activity, we are not aware of any other county, city, or village voting on the implementation of a lottery yet this year. If you are aware of other communities which held elections and approved a county/city lottery, please notify our office.

❑ The Villages of **Milligan** and **Palmyra** and the City of **Yutan** are new communities issued county/city lottery licenses since January 2000. The Village of Milligan's lottery operator is Zeilinger Keno Partnership. Lotto Nebraska is the lottery operator for the Village of Palmyra and the City of Yutan.

❑ The Villages of **Cedar Creek** and **Sterling** resumed their county/city lottery activities since our last publication. The Village of Cedar Creek's new lottery operator is Four Sons, Inc. Les Agena, doing business as Corner Bar, is the

Village of Sterling's newly licensed lottery operator. The City of **Tecumseh** has a new lottery operator, Ronald L. Lade. The Village of Oxford has submitted applications to renew the lottery operator's license of KECO, Inc. and the sales outlet location licenses. The City of **Bennington** has submitted an application for a change in its lottery operator. The Village of **Anselmo** has submitted an application to restart its lottery and the Village of **Prague** anticipates having an application submitted to restart in the near future.

❑ The communities licensed through September 30, 2001, that have **inactive lotteries** as of this publication include the Villages of **Anselmo, Belgrade, and Prague** and the Cities of **Cambridge, Franklin, and Minatare**. The lottery in Cambridge ceased on December 13, 1999 and Prague's lottery stopped April 6, 2000. The other communities' lotteries have been inactive since the current licenses were issued.

❑ So far this year, at the request of the governing officials, **Gaming staff have attended community meetings** in the Villages of Bertrand and Dodge and the City of St. Paul to present county/city lottery information and respond to questions.

❑ **Enforcement activity will increase to confirm that all county/city lottery workers are licensed as required by Nebraska law.** On April 20, 2000, a letter was sent to each county, city, and village that has an active lottery or has licensed lottery workers. A listing of the workers on file for the county, city, or village was enclosed with our request that updated information on workers be provided to allow us to correct our new database. We also stated that any worker not on the list was to submit a Nebraska Schedule III - County/City Lottery Worker Application immediately. This

includes any governing officials who work with the lottery records or tax returns and the lottery operator or sales outlet owner if physically working at the lottery or with the records. Each licensed lottery operator was mailed a copy of the letter. The requested response date was May 26, 2000. Thank you for your cooperation in updating your lottery worker information.

❑ **Ownership changes in a county/city lottery sales outlet location must be reported** prior to the expiration of the buyer's temporary agency agreement with the Nebraska Liquor Control Commission. We will continue to allow the location to operate under the county/city lottery license issued to the selling party if that is acceptable to the county, city, or village and the lottery operator. However, once the temporary agency agreement for the buyer to operate under the seller's liquor license expires, the county/city lottery at this location must cease until the new owner's county/city lottery sales outlet location license is issued by this office. The sales outlet license issued to the previous owner is invalid after the liquor license changes even if the trade name remains the same after the ownership change.

❑ **Accurate completion of your applications is essential to expedite getting your licenses.** There are a variety of errors made when our application forms are completed. Please review the instructions, proofread your entries, and double check your attachments prior to submission. Please use the most recent version of our forms and either type or print legibly. The current versions of county/city lottery license application forms are available on our web site at www.nol.org/revenue. Correcting errors requires more time during review and numerous corrections make the application difficult to read for data entry. When we must return an application, that greatly delays the review and processing of that application and of all other applications received subsequent to that incomplete or incorrect application.

A Final Note to All Licensees Regarding License Cancellation Procedures

Upon ceasing your bingo, pickle card, lottery/raffle, or county/city lottery activity, **you must notify the Charitable Gaming Division in writing** of your intentions to cancel your license(s). You may complete the appropriate application by marking the "cancel" box and submitting the application to the Charitable Gaming Division. Or, you can notify this Division by letter indicating your intentions to cancel your license(s). If you are cancelling a bingo, pickle card, or lottery/raffle license, both the application and letter must be signed by an officer of your organization. If you are cancelling a county/city lottery license, both the application and letter must be signed by a member of the governing board or a governing official.

Please note: All notifications of cancellation must be accompanied by the original license issued by the Department.

Help Us Spread the News!

Does your organization, group, or association have its own newsletter? Have you ever thought about disseminating charitable gaming information through your newsletter as a service to your members? If you would like to do so, the Charitable Gaming Division would be happy to **assist you** by providing information or even writing articles for you about the conduct of charitable gaming activities in Nebraska. Our newsletter is somewhat limited in that it only reaches those organizations, businesses, and individuals who are licensed with us to conduct gaming activities in Nebraska. We realize there are many more organizations, businesses, and individuals out there who may not know much about charitable gaming but who could benefit from additional insight on these activities. To discuss the possibilities for providing gaming information to your members, please contact Deb Weber of the Charitable Gaming Division at (402) 471-5944 or by E-mail at dweber@rev.state.ne.us.

GAMING CALENDAR

July		October	
4	All State Offices Closed - Happy Independence Day!	1	First Day of 2000-2001 License Year
13	Effective date of LB658 and LB1086	9	All State Offices Closed - Happy Columbus Day!
August		30	Form 51 Tax Return and Applicable Schedule(s) Due. Must be postmarked no later than October 30. Organization Quarterly Reports Due. Forms 35C and 35D for bingo and pickle card activities must be postmarked by October 30.
1	Pickle Card Operator License Renewal Applications Due. Pickle card operators must have their license renewal applications postmarked no later than August 1.	November	
15	Bingo, Pickle Card, and Lottery/Raffle Annual License Renewal Applications Due. Organizations, utilization of funds members, sales agents, gaming managers, and commercial lessors must have their license renewal applications postmarked no later than August 15. Organization Annual Reports Due. Forms 35, 35A, 35B, and 35C for bingo, pickle card, and lottery/raffle activities must be postmarked no later than August 15.	10	All State Offices Closed - Happy Veterans Day!
		15	2001 Pickle Card Dispensing Device Registration Renewals Due. Applications to renew registration of pickle card dispensing devices must be postmarked by November 15.
		23-24	All State Offices Closed - Happy Thanksgiving!
September		December	
4	All State Offices Closed - Happy Labor Day!	25	All State Offices Closed - Merry Christmas!
30	All Bingo, Pickle Card, and Lottery/Raffle Licenses Expire at Midnight. Last Day of Third Quarter (July 1 through September 30).	31	Last Day of Fourth Quarter (October 1 through December 31). 2000 Pickle Card Dispensing Device Registrations and Decals Expire at Midnight. Organizations and pickle card operators must have a 2001 decal affixed to any dispensing device in use after midnight or cease using such device.

Compulsive Gamblers Assistance

Compulsive Gambling Help Line 1-800-560-2126

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| ✓ Gamblers Anonymous (Lincoln) (402) 473-7933 | ✓ Family Services (Omaha) (800) 762-0868 |
| ✓ Gamblers Anonymous (Omaha) (402) 978-7557 | ✓ Nebraska Council on Compulsive Gambling (Bellevue) (402) 291-0980 |
| ✓ Gamblers 12 Step & Family (Omaha) (402) 978-7899 | ✓ Gamblers Anonymous 1-800-GAMBLER (National) |



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